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MEMORANDUM FOR: Director of Central Intelligence
 SUBJECT : Management Staff

1. This memorandum is in reply to your recent request for information and contains a recommendation for action in paragraph 6.

2. The Inspector General's survey of the Management Staff was conducted as a part of the survey of the Office of the DD/S and was submitted to you on 14 July 1956, approximately one year ago. Taken as a whole, the section of the DD/S survey on the Management Staff concluded that necessary and valid functions existed requiring the efforts of the staff provided it was: (a) authorized to accomplish true management functions, (b) empowered to extend management activities overseas and more effectively into the DD/P area, (c) staffed with experienced Agency personnel rather than by exclusively management personnel recruited from outside the Agency, and (d) provided with more effective and imaginative leadership.

3. One year ago the Inspector General felt that the activities and accomplishments of the Management Staff as it was then functioning did not justify the commitment of approximately [redacted] valuable Agency positions. However, rather than making recommendations for reductions in personnel strength based upon lack of performance, the Inspector General instead made recommendations designed to raise the level of the Management Staff's performance in order to make it an effective and valuable adjunct to over-all Agency operations. Unfortunately,

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 REVERSE FOR DECLASSIFICATION ACTION

there is little indication that in the past year there has been sufficient improvement in the functioning of the Management Staff to continue to justify its present strength of [REDACTED] personnel.

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4. Set forth below are brief statements of functions which the Management Staff should be performing, analyses of current deficiencies, and general conclusions on possible courses of action to be taken:

a. Organization and Methods Staff

This is the key Management unit in the staff and under Executive Order 10072 it should be implementing an established program for the improvement of management and efficiency throughout the Agency. In practice this group of [REDACTED] employees is engaged almost exclusively in providing a consultation and advisory service to the Headquarters elements of the Agency. Such an activity contributes little to the operations of the Agency and does not justify the present allocation of personnel. Unless a more forceful management program is instituted, drastic reduction in the strength of this unit can be effected without any loss in current Agency efficiency.

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b. Business Machines Services Staff

This small group has been successful in maintaining knowledge of current industrial developments, but it has lacked the organizational position and the intelligence knowledge and experience necessary to apply such techniques effectively to substantive Agency problems. As a consequence, similar and in a sense duplicating machine units have grown

up in both the DD/I (OCR Machine Division) and in DD/P (Machine Records Division). Some consolidation of these several Agency business machine units should make personnel savings possible.

c. Records Management Staff

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This unit of [] individuals is responsible for the Agency's filing systems, the vital materials program, forms management, and records disposition. At the time of the Inspector General's survey it was discharging most of these responsibilities effectively within the DD/I and DD/S headquarters area but was not permitted to operate in the DD/P area. Unless the unit's responsibility for records management is extended Agency-wide, some reduction in personnel can be effected as current backlogs are eliminated.

d. Suggestion Awards Staff

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This small unit of [] individuals provides the Staff and Secretariat whereby the Agency undertakes to comply with the "Government Employees Incentive Awards Act" of 1954. The Inspector General's survey recognized the importance of employee suggestions to the future efficiency of the Agency and made specific recommendations to bolster the then lagging Incentive Awards Program. There are indications of improvement along these lines and no change in the present staffing pattern of the unit appears desirable.

e. Regulations Control Staff

The Chief of the Management Staff is responsible for "administering the Agency regulatory system." As a practical

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matter this [redacted] man unit is no more than a central clearing house and office of record for Agency issuances. The group has no authority as such but is engaged almost exclusively in urging the operating components to coordinate proposed issuances. In theory [redacted] positions should not be required for this activity. In practice the volume of proposed issuances and the complexity in the process of coordination probably justify the current size of this unit. However, should more command thinking and authority be injected into the Agency regulatory system as recommended by the Inspector General, the present volume of paper work could be reduced and a corresponding savings in personnel effected within this unit.

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5. In conclusion then, the Inspector General does not believe that the current functions and performance of the Management Staff justify its present personnel strength of [redacted]. There has been little indication in the past year that the deficiencies enumerated in the DD/S survey have been corrected. Under the present leadership and concept of operations there appears little prospect of future improvement. Unless definite action is taken to revitalize the Management Staff along the lines recommended by the Inspector General, substantial reductions in the present strength of the Staff should be effected by transfers of personnel to more productive areas of work.

6. It is recommended that you direct the DD/S to materially strengthen and revitalize the Management Staff or substantially reduce the current T/O and personnel strength.

[redacted]
Acting Inspector General

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